

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF) CASE NO.
SOUTH 641 WATER DISTRICT) 2017-00475

ORDER

On December 22, 2017, South 641 Heights Water District (“South 641”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. South 641 purchases water from the Murray Municipal Utilities (“Murray”).
2. Murray notified South 641 that its wholesale rate would increase from \$2.67 per 1,000 gallons to \$2.94 per 1,000 gallons effective January 1, 2018.² South 641 proposes to increase the water rates to its customers effective January 1, 2018, to reflect the increased cost of purchased water from Murray.
3. South 641 proposed a purchased water adjustment factor of \$0.32 per 1,000 gallons.
4. During the 12 months ended September 30, 2017, South 641 purchased 18,570,300 gallons of water from Murray. During the same period, South 641 sold

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00339 (Ky. PSC filed Mar. 28, 2015); The tariff was accepted for filing by the Commission by letter dated July 1, 2015.

15,891,860 gallons of water. The increase in the cost of purchased water is \$5,013.98, resulting in a purchased water adjustment factor of \$0.32 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.32 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. South 641's proposed rates, as set forth in Appendix B to this Order are fair, just and reasonable and should be approved for water service rendered by South 641 on and after January 1, 2018.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.32 per 1,000 gallons is approved.

2. The rates as set forth in Appendix B to this Order are approved for water service rendered by South 641 on and after January 1, 2018.

3. Within 20 days of the date of the entry of this Order, South 641 shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED
JAN 12 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2017-00475

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00475 DATED **JAN 12 2018**

	New Rate	Base Rate
Murray		
Purchases in gallons	18,570,300	18,570,300
Wholesale rate	<u>\$ 2.94/1,000</u>	<u>\$ 2.67/1,000</u>
Total	\$ 54,596.68	\$ 49,582.70
Increased water cost		\$ 5,013.98
Increased water cost		\$ 5,013.98
Divided by Gallons sold/1,000		<u>15,891,860</u>
Purchased water adjustment factor		\$ 0.315 per 1,000 Gallons
		or \$ 0.32 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00475 DATED **JAN 12 2018**

The following rates and charges are prescribed for the customers in the area served by South 641 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 Gallons	\$ 20.74 Minimum Bill
Next	3,000 Gallons	8.14 per 1,000 Gallons
Next	5,000 Gallons	7.23 per 1,000 Gallons
Over	10,000 Gallons	6.34 per 1,000 Gallons

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